

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7302**

**BILL NUMBER: HB 1344**

**NOTE PREPARED: Jan 9, 2009**

**BILL AMENDED:**

**SUBJECT:** Administration of property tax deductions.

**FIRST AUTHOR:** Rep. Pryor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Provides that a county auditor may request a list of landlords and addresses for single family dwellings being rented under a housing program administered under the Indiana housing and community development authority law or being rented through township assistance. Requires an application for a property tax standard deduction to include: (1) the last five digits of the applicant's Social Security number and the last five digits of the Social Security number of the applicant's spouse; and (2) information concerning any other location where the applicant or the applicant's spouse owns, is buying on contract, or has a beneficial interest in residential property. Requires sales disclosure forms, closing agent forms, and property tax bills to include information concerning the consequences of claiming more than one standard deduction and the procedures and deadlines for terminating a standard deduction. Requires homestead owners to verify each year that their property is their principal place of residence. Establishes other filing requirements for a property tax standard deduction that are similar to the filing requirements that applied to homestead credit applications. Allows legal entities whose sole owner is the individual residing in a homestead to claim the standard deduction. Provides that a county treasurer may apply a property tax deduction or homestead credit on a provisional tax statement and requires deductions and credits to be applied if a provisional statement is used two consecutive years. Provides that deductions and credits are removed from property when a tax statement is returned with an expired forwarding order. Imposes a civil penalty of \$100 for each year a person wrongly takes a property tax deduction or credit. Provides that the county auditor shall prepare and send a notice of taxes due when a deduction is wrongly claimed. Permits a county auditor to use delinquent taxes, interest, and penalties collected in response to the termination of a standard deduction to pay for the costs of discovering erroneously granted standard deductions and for other expenses of the office of the county auditor. Makes other changes to reconcile differences in the law related to the enactment of HEA 1001-2008 and HEA 1293-2008.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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